

**MINUTES OF REGULAR MEETING
OPEN SESSION
September 14 and 15, 2009
ILLINOIS GAMING BOARD
CHIAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Monday, September 14, 2009 a Regular Meeting of the Illinois Gaming Board (“Board”) was held on the 3rd floor at 160 N. LaSalle, Chicago, Illinois.

On Monday September 14, 2009 at approximately 9:30 a.m. the following Board Members were present: Chairman Jaffe, Members Charles Gardner, Eugene Winkler, Joseph Moore and Jim Sullivan. At 9:55 a.m. on Monday September 14, 2009, Member Gardner called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Personnel matters;**
- 2. Pending Litigation and matters involving probable litigation;**
- 3. Investigations concerning applicants and licensees; and**
- 4. Closed session minutes.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote. The Board recessed at 12:22 p.m.

On Tuesday, September 15, 2009 the meeting reconvened at 11:40 a.m. Present were the following Board Members: Chairman Aaron Jaffe, Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore.

The Board remained in Closed Session until approximately 12:30 p.m. The Board went into open session at 1:00 p.m. All members were present.

APPROVAL OF MINUTES

Member Gardner moved that **the Board approve the closed session minutes of its Regular Meeting of August 24 and 25, 2009**. Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Gardner moved **that the board approve the open session minutes of its Regular Meeting of August 25, 2009**. Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

ADMINISTRATOR'S COMMENTS – no motion

Comments by General Counsel Michael Fries:

On July 28, 2009, the Board issued a Request for Information relative to central communications systems. We received several responses, which have been reviewed. We had intended to schedule presentations to the staff by potential vendors in September. After reviewing the responses, we have reconsidered and will work to issue a Request for Proposal for a Central Communications System in due course.

PUBLIC COMMENTARY –

Presentation by Roy Corrie:

Thank you, Chairman Jaffe, Board Members.

I am here today to challenge the Gaming Board to interview me and my “All in One” Video Gaming Device A.S.A.P.

It seems the Board has a problem, and I have the solution.

Gentlemen: I need you to:

“THINK OUTSIDE THE BOX”
“THE TECHNOLOGY IS HERE”

The future of Gaming is now.

My company, New Way Gaming Corporation has developed an “All in One” video gaming device.

Video Gaming Points

Last month on television, Chairman Jaffe, you said that you needed funding and the People to move forward. I believe I can have the law and rules ready for the General Assembly and the Governor to sign, within 30 to 45 days; I will need three people. A staff member that can type as fast as I can talk, a lawyer that types up the law for the government to understand and me.

Rev. Eugene [Winkler] said any sane person would realize that this is a disaster waiting to happen for our state. I must be insane, or a genius.

I ask that the Board please keep an open mind. This is not amusement poker machines, those days are gone. This is 15,000 plus mini-casinos. Remember McDonalds did not invent the hamburger, they just figured out a better way to market it.

Now with the Board's permission I would like to have R. J. speak my words on my behalf. Board Members, I will go thru as many points as possible.

1. Money from the state:

About \$250,000. In my opinion the Board will need around \$250,000 for setup cost and some reading time. (No other taxes needed from the state).

2. Central Communication System:

No cost to the Board/State, no skimming.

3. Testing:

No cost to the Board. Testing can be done on the games and my gaming device. A sample test can be seen upon request from the Board.

4. Establishment Inspectors:

Not needed, ten or fewer workers can monitor everything from the Board.

5. Background check:

Not needed, no money in gaming device.

6. Organized crime/undesirable characters:

No more. Everyone will pay all taxes. Even Al Capone would have to pay his taxes.

7. Time:

Ready by August 1, 2010. We can be up and running 100% by August 1, 2010.

8. Gross Annual Income:

Is estimated at \$4,562,500.00 after payouts.

9. State of Illinois 30% taxes:

Off the top, is estimated at \$1,368,750,000 or more.

10. Players:

More chance to win, more giveaways. Will have a better chance of winning, signup bonus, perks for more play, and much more, plus a bigger variety of games.

Example:

Poker Slots, line ups (some with progressive bounces)

Black Jack, Bingo (all Taxes will be paid)

Poker Parlors = Texas Hold'em (all Taxes will be paid)

Horse Racing Game = Nothing to do with race track

My game (New) coming soon.

11. Taxes from Players:

(Example over \$1,000)

Gaming Board can set an amount (example \$1,000) that will automatically be deducted from the taxes before paying the players their winnings.

12. Advertising: on gaming device. (More taxes)

With major corporations, example Coke-Cola, Budweiser and local businesses on all gaming devices across Illinois. 300,000 to 500,000 plus players. (More taxes)

13. Security: No under age players

Gaming device will have a built in camera and microphone and will record and keep on file the players face, picture ID, credit card and driver license. This will be done at signup, one time.

14. Overhead security camera:

Will monitor establishment. Will monitor the five (5) gaming devices and be hooked up to the Board and New Way Gaming as well as a monitor in the office or behind the bar.

Example: If a kid is sitting on their mother's lap while she is playing New Way Gaming will stop the game and give the player a warning. (Three (3) warning and the player will be brandished for thirty (30) days.

15. Over Gambling:

Player can set a limit. My gaming device can set a limit that a player can lose each day or week. (Device will turn off at that point).

16. Problem Gambling:

Player can be helped and/or be brandished from playing.

17. Gamblers Anonymous:

24/7/365 help on the gaming devices.

18. Bill acceptors:

Not needed (No Money, no thefts/robberies)

19. No Money:

In the gaming device or at establishments (example: payout money) "No holdups/stickup".

20. Operators:

Not needed. I have presented two (2) ways, with or without operators (they can open a bar or do financing).

21. Amusement games tracking:

20% for state (more taxes). Within six (6) months or less my gaming device will replace and monitor income on all or most amusement games in the establishments and will pay a 20% tax.

Examples:

Pool table tournaments,
Dart tournaments,
Bowling tournaments,
Golf tournaments,
Bar tops,
Juke box and more.

Six (6) more gaming devices needed (for tournaments use only).

22. Establishments that are needed:

- 1) Bars and restaurants: 5 gaming device limit
- 2) Non-profits: 5 gaming device limit
- 3) Truck stops: 5 gaming device limit
- 4) Bingo halls: 200 gaming device limit (no poker games)
- 5) Poker parlors: Texas Hold'em tournaments: 100 gaming device limit (no gaming device poker game)

All above must buy a liquor license use it or not

23. Gaming Device Lease Cost:

Under \$10,000 including sales tax

24. Deduction and Payments:

All done by wire transfer. New Way Gaming will by (wire transfer) to the state. Establishments, distributors, finance company, New Way Gaming Corporation and operators (if involved) not needed “more taxes”

25. Replace riverboat slots and CCS:

My gaming device can also replace the slots on the 10 riverboats. No more cash in the slots/gaming device no more errors. No more Board employees to oversee the slots. No more paying for a central communication system.

OWNER LICENSEE ITEMS

- Item for Final Action
 - Empress Casino – Parking Garage Construction –

Interim General Manager Joe McBride addressed the Board.

Member Gardner asked about how many cars the garage will hold, and Joe McBride answered around 1200.

Member Gardner stated that he and Member Moore visited Empress a couple of weeks prior and commented on how great staff is and what tremendous morale they exhibit.

Based on staff's investigation and recommendation Member Sullivan moved to approve Empress Casino's \$21M parking garage construction plan. Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Empress Casino Joliet – Patrick K. Kauffman, Director of Surveillance – Level One

Based on staff's investigation and recommendation, Member Sullivan moved that the Board approve Patrick K. Kauffman as an Occupational Licensee Level 1 in the position of Director of Surveillance at Empress Casino in Joliet, Illinois. Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Grand Victoria Casino – Rolando Guerrero, Director of Slot Operations – Level One

Based on staff's investigation and recommendation, Member Winkler moved that the Board approve Rolando Guerrero as an Occupational Licensee Level 1 in the position of Director of Slot Operations at the Grand Victoria Casino in Elgin, Illinois. Member Moore seconded the motion. The Board approved the motion unanimously by roll call vote.

- Jumer's Casino & Hotel – Linda K. Shroyer, Internal Auditor – Level One Linda K. Shroyer, Internal Auditor

Based on staff's investigation and recommendation, Member Winkler moved that the Board approve Linda K. Shroyer as an Occupational Licensee Level 1 in the position of Internal Auditor at Jumer's Casino & Hotel in Rock Island, Illinois. Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

Mr. Dan Wilson introduced himself as the new General Manager of Jumer's Casino. He went on to give Board and staff a synopsis of his background.

OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2'S & 3'S

Based on staff's investigation and recommendation, Member Gardner moved that the Board approve 13 applications for an Occupational License, Level 2, and 74 applications for an Occupational License, Level 3.

Further, Member Gardner moved that the Board direct the Administrator to issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendation.

1. **James O'Dell Irby;**
2. **Michaelangelo Rivera;**
3. **Thomas G. Kowalski, and**
4. **Gary Lee Versluys.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS -

- Tammy J. Olivarez – Occupational Licensee

Based on staff's investigation and recommendation, Member Moore moved that **the Board issue a Disciplinary Complaint against Tammy J. Olivarez, an occupational licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Moore moved that **the Board suspend Tammy J. Olivarez's occupational license for 10 work days without pay. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Kathleen Petric – Occupational Licensee

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board issue a Disciplinary Complaint against Kathleen Petric, an occupational licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Sullivan moved that **the Board suspend Kathleen Petric's occupational license for 10 work days without pay. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Moore commented on the importance of staff on the riverboats to keep their records up to date to avoid suspensions for violations of such.

He also commented on Harrah's Joliet's one year annual update. Member Moore referenced Harrah's EEOC numbers, the diversity of the suppliers and the charitable contributions. Member Moore commented on the downward trend, hoping this is not a habit and that the numbers will start to improve.

Member Gardner commented on the community support referring to the AGR which is down 20% along with the charitable donations down 25%.

At 1:20 p.m. Member Winkler motioned to adjourn while Member Sullivan seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator